

Lopez, Donna

From: Saul Tannenbaum <saul@tannenbaum.org>
Sent: Sunday, September 27, 2015 12:39 PM
To: City Council
Cc: Lopez, Donna
Subject: Dear City Council: Raise My Taxes, Please
Attachments: Dear Cambridge Raise My Taxes, Please — Medium.pdf; MedianIncome.png

To the Honorable, the City Council:

I write with respect to Policy Order 13, co-sponsored by Councillors McGovern, Simmon and Kelley and Vice Mayor Benzan.

While Cambridge has, appropriately, paid significant attention to the economically disadvantaged, we've allowed another phenomena to pass almost unnoticed: our wealthy are getting wealthier. Census data show that the median household income in Cambridge has increased 40% in the last decade. 40%.

In response to the Homelessness Charrette and the simultaneous release of tax rate information, I wrote:

Fiscal prudence is something we hope for from our government, and Cambridge demonstrates that admirably. But should it really be a point of pride—in Cambridge of all places—that we tax ourselves so little that we can't pay for all the basic services needed by the least fortunate?

(<https://medium.com/@stannenb/dear-cambridge-raise-my-taxes-please-385c0eead887>)

I know I'm not alone in saying that I would happily shoulder a higher tax burden if those funds were to be used on services to the homeless and substance abusers, and were used to keep housing in Cambridge affordable.

So, please, raise my taxes.

- Saul Tannenbaum
16 Cottage St.

cc: Donna Lopez, for inclusion in official record

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Read CambridgeHappenings.org, a daily Cambridge news summary,
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Dear Cambridge: Raise My Taxes, Please!

The City of Cambridge gathered residents, experts, stakeholders and people with “lived experience” in a two-day charrette this week, seeking actionable recommendations to address homelessness. For a person who has been privileged never to be at risk of homelessness, there was much to learn. It was gratifying to discover the cadre of smart, caring people dedicated to improving the lives of the least fortunate among us. Yet, it was hard not to leave the meetings without feeling a bit depressed.

The first day ended with a session entitled “Strategies for Increasing Investment” with a discussion that included City staff, a developer, a philanthropist, and service providers. Like many discussions about public services these days, it talked of public/private partnerships, redirecting revenue streams, capturing value, and strange financial engineering exercises that seem directed mostly at keeping spending off the public books. It was left to a resident to stand up during comment time and plead for the most direct form of public investment, a tax increase.

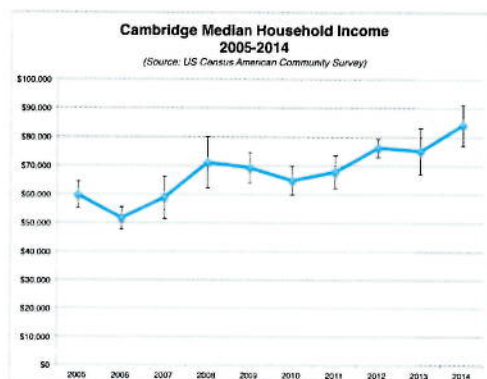
At the same time as the charrettes, residents of the City received the yearly “Understanding Your Taxes” mailing. At the bottom of the first page is a table entitled “*Cambridge Residential Tax Rate Continues to be the Lowest Among Surrounding Communities and One of the Lowest of Any City in the Commonwealth!*” It is the exclamation point that’s most galling. Fiscal prudence is something we hope for from our government, and Cambridge demonstrates that admirably. But should it really be a point of pride—in Cambridge of all places—that we tax ourselves so little that we can’t pay for all the basic services needed by the least fortunate?

Cambridge Residential Tax Rate Continues to be the Lowest Among Surrounding Communities and One of the Lowest of Any City in the Commonwealth!			
	FY15 Tax Rate (per \$1,000)	Tax Bill \$400,000 Home	Tax Bill \$800,000 Home
Cambridge*	\$ 7.82	\$1,255	\$4,383
Brookline*	\$10.68	\$2,228	\$6,500
Somerville*	\$12.61	\$2,563	\$7,607
Boston*	\$12.11	\$2,964	\$7,808
Watertown*	\$15.03	\$4,654	\$10,666
Belmont	\$12.90	\$5,160	\$10,320
Arlington	\$13.55	\$5,420	\$10,840

*Includes residential exemption for owner occupied homes. The residential exemption has not been adopted by all communities.

It's not that our services are paltry. Expert after expert gave examples where Cambridge leads, whether it was inclusionary zoning to create affordable housing units, or integrating social services into our policing model so that homelessness isn't treated as a criminal justice problem. But Cambridge has become extraordinarily wealthy. Our residential taxes are low because we have a booming commercial sector, and that commercial sector has created a community where median household income has increased by about 40% in the last decade. For the United States as a whole, it's about 16%.

We are very good in Cambridge at demonizing others. Developers are "rapacious predators" and educational institutions are hedge funds disguised as universities. We need to look to ourselves as well. Despite professing progressive values, we have a slate of City Council candidates, good people all, one of whose planks is "keep taxes low." Keeping taxes low when we can't put a roof over the head of everyone who needs one is a Tea Party value, not a Cambridge value.



It is certainly true that increasing taxes works against affordability. But gentrification has brought an influx of affluent residents, people who can well afford to pay a bit more in taxes. To appropriate the language of the social impact investors, this is a value stream which we, as a community, should capture.

Perhaps, to further use their lingo, we can succeed by rebranding taxes as what they really are, the original public/private partnership. But unlike the

public/private partnerships touted by hucksters, this would be an investment that benefited us all.

Cambridge Median Household Income 2005-2014

(Source: US Census American Community Survey)

